

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-1000

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

**RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS YACOBUCCI TO INTERROGATORIES OF ASSOCIATION FOR  
POSTAL COMMERCE  
(PostCom/USPS-T25—1-2)**

The United States Postal Service hereby provides the responses of witness Yacobucci to the following interrogatories of the Association for Postal Commerce: PostCom/USPS-T25—1-2, filed on February 23, 2000.

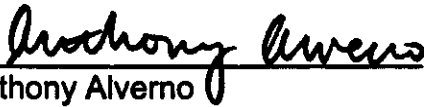
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
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March 8, 2000

**RESPONSE OF U.S. POSTAL SERVICE WITNESS YACOBUCCI TO  
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**PostCom/USPS-T25-1. Please refer to Worksheet "Productivities" in LR-1-90 [sic].**

(a) Please confirm that the volume variability factors in this worksheet are the ones that witness Bozzo developed using MODS data. If not confirmed, please explain.

(b) Please confirm that the Adjusted Productivities in this worksheet are equal to the Productivities divided by the Volume Variability Factors. If not confirmed, please explain.

(c) Please confirm that your model uses these adjusted productivities for flats and bundles sorted at BMCs and non-MODS facilities as well as flats and bundles sorted at MODS facilities. If not confirmed, please explain.

(d) Please confirm that the Postal Service's Cost Segment 3 costing method only applies these factors to MODS facilities. If not confirmed, please explain.

**RESPONSE:**

- a. Not confirmed. The econometric volume variability factors are developed by witness Bozzo (USPS-T-15). The non-econometric volume variability factors are developed by witness Van-Ty-Smith (USPS-T-17).

USPS-T-17, Table 1, pp. 24-25 presents the specific econometric and non-econometric volume variability factors. USPS LR-I-90 uses the SPBS OTH, 1POUCHNG, 1PLATFRM, FSM/, MANF, and LD43 volume variability factors.

- b. Confirmed.

- c. Confirmed. The model does not differentiate piece and package handling activities amongst BMCs, MODS facilities, and non-MODS facilities.

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- d. Confirmed. It is my understanding that the Postal Service's Cost Segment 3 costing method, specifically witness Van-Ty-Smith's (USPS-T-17) costing method for Cost Segment 3.1, mail processing direct labor, applies the same volume variability factors as found in the worksheet entitled '*Productivities*' in USPS LR-I-90 to MODS facilities which include MODS plants and their associated stations and branches.

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**PostCom/USPS-T25-2. Please refer to Worksheet "Vols-Std (A) Reg" in  
LR-1-90 [sic].**

(a) What percentage of manual bundle sorts for Standard (A) Regular bundles occur at BMCs? Please provide all underlying calculations. If you cannot provide a precise answer, please provide an approximation.

(b) What percentage of manual bundle sorts for Standard (A) Regular bundles occur at non-MODS facilities? Please provide all underlying calculations. If you cannot provide a precise answer, please provide an approximation.

(c) What percentage of mechanical bundle sorts for Standard (A) Regular bundles occur at BMCs? Please provide all underlying calculations. If you cannot provide a precise answer, please provide an approximation.

(d) What percentage of mechanical bundle sorts for Standard (A) Regular bundles occur at non-MODS facilities? Please provide all underlying calculations. If you cannot provide a precise answer, please provide an approximation.

(e) What percentage of FSM sorts for Standard (A) Regular pieces occur at BMCs? Please provide all underlying calculations. If you cannot provide a precise answer, please provide an approximation.

(f) What percentage of FSM sorts for Standard (A) Regular pieces occur at non-MODS facilities? Please provide all underlying calculations. If you cannot provide a precise answer, please provide an approximation.

(g) What percentage of manual sorts for Standard (A) Regular pieces occur at BMCs? Please provide all underlying calculations. If you cannot provide a precise answer, please provide an approximation.

(h) What percentage of manual sorts for Standard (A) Regular pieces occur at non-MODS facilities? Please provide all underlying calculations. If you cannot provide a precise answer, please provide an approximation.

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(i) Please confirm that the Postal Service's Cost Segment 3 costing method only applies these factors to MODS facilities. If not confirmed, please explain.

**RESPONSE:**

- a. - h. It is my understanding that data do not exist in order to determine these percentages.
  
- i. Though the context of this question is not clear, I presume the question's reference to "these factors" is to the volume variability factors found in USPS LR-I-90. Please see my response to interrogatory PostCom/USPS-T25-1 (d).

# DECLARATION

I, David Yacobucci, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

*David Yacobucci*

DAVID YACOBUCCI

Dated: 3/8/00

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

  
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